



**Press Release- #10-17**

**TSX-V: GAX**

**August 16, 2010**

**GALAHAD INCREASES CORE INTEREST IN BOTTLE CREEK:  
AMENDS ISSUE**

Ottawa, ON - Galahad Metals Inc (TSX-V - GAX) is pleased to announce that it has entered into a letter of agreement with Golden Gryphon Explorations Inc. (“GGE”), whereby the parties have agreed to rationalize their various holdings and interests in the 150 sq km. Bottle Creek property in Humboldt County, NV.

Galahad will decrease its interests from approximately 1700 claims, where in the majority it owned only 50%, to 935 claims, where Galahad will own 60%. This will permit Galahad to focus exploration on those claims it views as immediately most prospective. The main zone is drill ready and sites are permitted for an immediate drill program. In a previous five hole drill program in 2006, all holes intersected anomalous gold, with the best results in Hole BC06-04, including 1.5 metres grading 0.96g/t gold at a depth of 321.0 metres, and 1.5 metres grading 362.0 g/t silver at a depth of 173.5 metres. The five hole drill program demonstrated a thermal zoning, but the holes were not deep enough to reach the boiling zone. As has been amply demonstrated by Klondex Mines Ltd. at their Fire Creek property in Nevada, deeper drilling to depths of 900 metres has intersected significant mineralization. Galahad is planning a drilling program at Bottle Creek to test deeper targets.

Galahad had previously announced its plans to issue up to a maximum of four million regular units for gross proceeds of up to \$200,000 in common share units at \$0.05 per unit, in addition to a flow-through-unit offering consisting of a total of flow-through common shares and warrants of the issuer equal to a maximum of 4.3 million, for gross proceeds of up to \$301,000. Galahad has amended the proposed issue to increase the common share issue to \$300,000, as Galahad is obliged under the letter agreement to pay to GGE Galahad’s share of the 2010 BLM fees and other core exploration expenses by August 25th. This amounts to \$200,850, which shall form the first closing of the issue. The balance of the common share unit funds will be used for general working capital purposes.

Each \$0.05 regular unit consists of one previously unissued common share, as presently constituted, and one previously unissued warrant. Each warrant shall entitle the subscriber to subscribe for and purchase one additional share at a price of \$0.10 per share for two years from the closing date.

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Each \$0.07 flow-through unit consists of one previously unissued flow-through common share and one warrant. Each warrant shall entitle the subscriber to subscribe for and purchase one additional share at a price of \$0.10 per share for two years from the closing date.

The proceeds obtained from the issuance of the flow-through units, to a maximum of \$301,000 shall be used for a diamond drilling and downhole geophysics exploration program at Galahad's Regcourt property near Val d'Or, Que. The exploration campaign, which will consist of nine holes and a total 2,350 metres, is designed to explore and validate historic drill intersections, as well as the projected downward extensions of veins and other structures, especially along their interpreted, linear intersection zones. Galahad hopes to start the drill program this fall.

John Langton M.Sc., P. Geo, of MRB & Associates, Val d'Or, QC., is the Qualified Person as defined by National Instrument 43-101 for the Regcourt Project and has approved the contents of this release.

For further information, please go to [www.galahadmetals.com](http://www.galahadmetals.com) or contact:

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